

SAMUEL J. WELLBORN

DIRECT 803 231.7829 DIRECT FAX 803 231.7878

swellborn@robinsongray.com

Litigation + Business

December 3, 2019

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd Chief Clerk / Executive Director Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, SC 29210

Re: Application of Blue Granite Water Company for Approval to Adjust Its Rate Schedules and Increase Rates - Docket No. 2019-290-WS

Dear Ms. Boyd:

Enclosed for filing are the proofs of publication and certifications of mailing for the Revised Notice of Filing and Hearing and Prefile Testimony Deadlines as follows:

- Proofs of Publication from *The State*, *The Post and Courier*, *The Greenville News*, *The Herald Fort Mill Times*, and *The Greenwood Index-Journal*;
- Affidavit of Mailing to all water distribution and sewer customers; and
- Certification of Mailing to the County and City Administrators.

Kind regards.

Sam Wellborn

SJW:tch

Enclosures

cc w/enc: Andrew M. Bateman, General Counsel, ORS (via email)

Alexander W. Knowles, Counsel, ORS (via email) Christopher Huber, Counsel, ORS (via email)

Carri Grube Lybarker, S.C. Dept of Consumer Affairs (via email)

L. Becky Dover, S.C. Dept of Consumer Affairs (via email)

Laura P. Valtorta, Esquire (via email) John J. Pringle, Jr., Esquire (via email)

AFFIDAVIT OF PUBLICATION

Account #	Ad Number	Identification
	0004443964	PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA CLERKS OFF

Attention: Toni Hawkins

SOWELL ROBINSON GRAY 1310 GADSDEN STREET PO BOX 11449 (29211) COLUMBIA. SC 29201

> PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA CLERK'S OFFICE

REVISED NOTICE OF FILING AND HEARING AND PREFILE TESTIMONY DEADLINES

(Notice for Newspaper)

DOCKET NO. 2019-290-WS

Application of Blue Granite Water Company for Approval of an Adjustment in Rate Schedules and an increase in Rates

On October 2, 2019, Blue Granite Water Company ("Blue Granite" or the "Company") filed with the Public Service Commission of South Carolina ("Commission") an application requesting authority to adjust its rate schedules and to increase its rates ("Application"). The Application was filed pursuant to S.C. Code Ann. §58-5-240 and S.C. Code Ann. Regs. 103-712(4)(A) and 103-512(4)(A).

In its Application, the Company states that recent major capital projects needed to improve service to customers, increases in costs for third-party purchased water and wastewater treatment, increases in property taxes related to capital investment, and updates to depreciation rates, have made it necessary to request a net increase in retail revenues. The Company has invested approximately \$23 million in its water and wastewater infrastructure since the last rate case, filed in November 2017. Blue Granite's request includes a one-time credit to customers resulting from the federal Tax Cuts and José Act in the amount of \$10.64. Blue Granite also proposes to implement annual rate adjustment procedures for Purchased Water Charges and Purchased Wastewater Treatment Charges, and for authority to continue to defer the Company surchased water and wastewater treatment expenses (above or below the amounts reflected in rates) caused by changes in third party provider rates, until such expenses are reflected in rates. The Company also makes other requests in its Application, including seeking authority to defer costs related to the decommissioning of certain assets, to establish a storm reserve fund, to include in its tariff the treatment of taxes on contributions in aid of construction, to change its pumping charge for solids interceptor tanks to reflect actual costs, and to implement an opt-in "Round Up" program to assist customers in peed

Blue Granite seeks to recover additional annual revenues resulting from thirdparty purchased water and wastewater treatment, as well as a revenues resulting primarily from Investments in Infrastructure needed to serve customers, for a total requested annual revenue increase of \$11,731,803. This results in an annual revenue increase for Service Territory 1 Water of \$3,636,850, for Service Territory 2 Water of \$1,939,107, and for Consolidated Sewer of \$6,155,846. Blue Granite also proposes to separately bill for and receive annual revenues to recover third-party purchased water and wastewater treatment costs.

If the Application or Petition in this case contains a request for adjustment of rates, the rates are subject to potential modification by the Commission during the course of this case.

A copy of the Company's Application can be found on the Commission's website at www.psc.sc.gov under Docket No. 2019-290-WS. Additionally, a copy of the Application is available from the offices of Frank R. Ellerbe, III, Esquire and Samuel J. Wellbom. Esquire, Robinson Gray Stepp & Laffitte, LLC. Post Office Box 11449, Columbia, South Carolina 29211.

Any person who wishes to participate in this matter as a party of record should file a Petilion to intervene in accordance with the Commission's Rules of Practice and Procedure on or before December 16, 2019, by tilling the Petition to Intervene with the Commission, by providing a copy to the Office of Regulatory Staff and by providing a copy to all parties of record. For the receipt of future Commission correspondence, please include an email address in the Petilion to Intervene. Please refer to Docket No. 2019-290-WS and mall a copy to all other parties in this docket. Any person who seeks to intervene and who wishes to testify and present evidence at the hearing should notify, in writing, the Commission; the Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and the company at the above address, on or before December 16, 2019. Please refer to Docket No. 2019-290-WS.

Any person who wishes to request that the Commission hold a public hearing in his or her county of residence in order to hear comments from the utility's customers should notify, in writing, the Commission at the address below; the Office of Regulatory Staff, at 1401 Main Street, Suite 900, Columbia, SC 29201; and the Company at the above address, on or before December 15, 2019.

PLEASE TAKE NOTICE that a hearing, pursuant to S.C. Code Ann. Regs.

State of South Carolina

County of Richland

I, Michelle Long, makes oath that the advertisment, was published in The State, a newspaper published in the City of Columbia, State and County aforesaid, in the issue(s) of

1 Insertion(s)

Published On:

November 02, 2019

MBLOUZ

Michelle Long
Inside Classified Accounts
Representative

Subscribed and sworn to before me on this 12th day of November in the year of 2019

Amy L. Robbins

Notary Public for South Carolina

My Commission Expires:

November 27, 2022

"Errors- the liability of the publisher on account of errors in or omissions from any advertisement will in no way exceed the amount of the charge for the space occupied by the item in error, and then only for the first incorrect insertion." 403-817 and S.C. Code Ann. § 58-5-240, on the above matter has been scheduled to begin on Wednesday, February 26, 2020, at 10:00 a.m., before the Commission in the Commission's Hearing Room at 101 Executive Center Driva, Suite 100, Satuda Building, Columbia, South Carolina 28210 for the purpose of receiving testimony and evidence from all interested parties. The hearing may continue on February 27, 2020, February 28, 2020, March 2, 2020 and March 3, 2020, if necessary.

INSTRUCTIONS TO ALL PARTIES OF RECORD (Applicant, Petitioners, and Intervenors only):
All Parties of Record must pre-fite testimony with the Commission and with ell parties of record. Pre-fited Testimony Deadlines: the Company's Direct Testimony Due: 12/30/2019; Other Parties of Record Direct Testimony Due: 1/22/2020; the Company's Rebuttal Testimony Due: 2/5/2020; and Other Parties of Record Surrebuttal Testimony Due: 2/12/2020. All Pre-fited Testimony Deadlines are subject to the information as posted on www.pso.sc.gov under Docket No. 2019-290-WS.

For the most recent information regarding this docket, including changes in scheduled dates included in this Notice, please refer to vvvvv.pac.sc.gov and Docket No. 2019-290-WS.

PLEASE TAKE NOTICE that any person who wishes to have his or her comments considered as part of the official record of this proceeding MUST present such comments in person to the Commission during the hearing.

Persons seeking information about the Commission's procedures should contact the Commission at (803) 896-5100 or visit its wabsits at www.psc.sc.gov. 4443964

SOWELL GRAY ROBINSON 1310 GADSDEN ST COLUMBIA SC 29201

AFFIDAVIT OF PUBLICATION

The Post and Courier

State of South Carolina County of Charleston

Personally appeared before me the undersigned advertising clerk of the above indicated newspaper published in the city of Charleston, county and state aforesaid, who, being duly sworn, says that the advertisement of

(copy attached)

appeared in the issues of said newspaper on the following day(s):

11/06/19 Wed PC 11/06/19 Wed CNW

\$576.34 at a cost of Account#

Order# 1833606

P.O. Number:

Subscribed and sworn to before

A.D.

advertising clerk

NOTARY PUBLIC, SC My commission expires



103-512(4)(A). In its Application, the Company states that recent major application of the company states that recent major application of the company states that recent major application of the company states are treatment, increases in property taxes related to capital investment and updates to depreciation of the company states are below made it necessary.

ruary 28, 2020, Marcha 2020
and March 3, 2020, if new sale 17.

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The Greenville News



Legal Advertising

Name:

SOWELL GRAY ROBINSON

Address:

1310 GADSDEN ST

COLUMBIA, SC, 2920129201

Ad No:

0003877910

Class:

Legal Notices

Rate: Legal Rate

Publish Dates:

Wednesday, November 6, 2019

Lines:

0.50

I, Anna Russell, being the Legal Advertising Agent for The Greenville News, do hereby testify that the attached legal ad was published on 204 lines for 1 consecutive weeks, as set forth above, in the Greenville News beginning on 11/6/2019 12:00:00AN and ending on 11/6/2019 12:00:00AM

Anna Russell

Legal Advertising Agent

TERESA I. EASLEY

Notary Public, State of South Carolina My Commission Expires 9/23/2025

The Greenville News Media Group

305 South Main Street Greenville, SC 29601

3877910

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CLERK'S OFFICE

REVISED MOTICE OF FILING AND HEARING AND PREFILE TESTIMONY DEADLINES (Notice for Newspaper)

DOCKET NO. 2019-290-WS

Application of Blue Granite Water Company for Approval of an Adjustment in Rate Schodules and an increase in Rates

On October 2, 2019, Blue Grante Water Company ("Blue Grante" or the "Company") find with the Public Service Commission of Scuth Caselina ("Commission") an application requesting authority to adjust its rate schedules and to increase its rates ("Application"). The Application was filed pursuers to S.C.Code Ann. §58-5-240 and S.C.Code Ann. Regs. 103-712[4][A) and 103-512(4][A).

In its Application, the Company states that recent major capital projects needed to improve service to customers, increases in costs for third-party purchased water and wastewater breatment, increases in property taxes related to capital investment, and updates to depreciation rates, have made it recessary to request a net increase in retail revenues. The Company has trivested approximately \$23 million in its water and wastewater infrastructure since the last rate case, filed in November 2017. Blue Granite's request includes a one-time credit to customers resulting from the federal Tax Cuts and Jobs Act in the amount of \$10.64. Blue Granite asso proposes to imporment annual rate adjustment procedures for Purchased Wastewater Charges, and for authority to continue to defer the Company's purchased water and wastewater treatment expenses (above or below the amounts reflected in rates) caused by changes in third party provider rates, until such expenses are reflected in rates. The Company also makes other requests in its Application, including seeking authority to defer costs related to the decommissioning of certain assets, to establish a storm reserve fund, to include in its tain the treatment of taxes and contributions in aid of construction, to change its pumping charge for solids interceptor taxes to reflect actual costs, and to implement an opt-in Tround Up' pergram to assess to ustomers in need.

Blue Granite seeks to recover additional annual revenues resulting from third-party purchased water and wastewater treatment, as well as revenues resulting primarily both investments in infrastructure needed to serve customers, for a total requested airqual revenue increase of \$11,731,803. This results in an annual revenue increase for Service Territory 1 Water of \$3,635,880, for Service Territory 2 Water of \$3,635,880, for Service Territory 2 Water of \$1,939,107, and for Consolidated Sewer of \$8,155,846. Blue Granite also proposes to separately bill for and receive annual revenues to recover third-party purchased water and weste-water treatment costs.

If the Application or Petition in this case contains a request for adjustment of rates, the rates are subject to potential modification by the Commissionduring the course of this case.

A copy of the Company's Application—can be found on the Commission's website at w www.psc.sc.gov under Docket No. 2019-290-WS. Additionally, a copy of the Application is available from the offices of Frank R. Ellerte, III. Esquire and Samuel J. Welborn. Eaquire, Robinson Gray Stepp & Latitite, LLC, Post Office Box 11449, Columbia, South Carolina 29211.

Any person who wishes to pericipate in this matter as a party of record should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before December 18, 2019, by filing the Petition to Intervene with the Commission, by providing a copy to the Office of Regulatory Staff and by providing a copy to all parties of record. For the receipt of future Commission correspondence, please include an email address in the Petition to Intervene. Please rater to Docket No. 2019-200-WS and mail a copy to all other parties in this docket. Any person who seeks to intervene and who wishes to bestly and present evidence at the hearing should notify, in writing, the Commission; the Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, South Cerolina 29301; and the company at the above address, on or better Docket No. 2019-290-WS.

Any person who wishes to request that the Commission hold a public hearing in his or her country of residence in order to hear comments from the utility's customers should notify, in writing, the Commission at the address below: the Office of Regulatory Statil, at 1401 Main Street, Suite 900, Columbia, SC 29201; and the Company at the above address, on or balore December 16, 2019.

PLEASETAKE MOTICE that a hearing, pursuant to S.C.Code Ann. Flegs. 103-817 and S.C.Code Ann. § 58-5-240, on the above matter has been scheduled to begin on Wednesday, February 26, 2020, at 10:00 a.m., before the Commission in the Commission's Hearing Room at 101 Executive Center Drive. Suite 100, Saluda Building, Columbia. South Cambina 29210 for the purpose of receiving testimony and evidence from all interested parties. The hearing may continue on February 27, 2020, February 28, 2020. March 2, 2020 and March 3, 2020, if necessary.

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For the most recent information regarding this docket, including changes in scheduted dates included in this Notice, please refer to www.psc.sc.gov and *Docket No. 2019-290-WS*.

PLEASETAKENOTICE that any person who wishes to have his or her comments considered as part of the official record of this proceeding. MUST present such comments in person to the Commission during the hearing.

Persons seeking information about the Commission's procedures should contact the Commission at (803) 896-5100 or wish its website at www.psn.sc.gov.



heraldonline.com PARENTING Lake Wylie Pilot

AFFIDAVIT OF PUBLICATION

Account #	Ad Number	Identification
	0004444097	PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA CLERKS OFF

Attention: Toni Hawkins

SOWELL ROBINSON GRAY 1310 GADSDEN STREET PO BOX 11449 (29211) COLUMBIA, SC 29201

> PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA CLERK'S OFFICE

REVISED NOTICE OF FILING AND HEARING AND PREFILE TESTIMONY DEADLINES

(Notice for Newspaper) DOCKET NO. 2019-290-WS

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In its Application, the Company states that recent major capital projects needed to improve service to customers, increases in costs for third-party purchased water and wastewater treatment, increases in property taxes related to capital investment, and updates to depreciation rates, have made it necessary to request a net increase in retail revenues. The Company has invested approximately \$23 million in its water and wastewater infrastructure since the last rate case, filed in November 2017. Blue Granite's request includes a one-time credit to customers resulting from the federal Tax Cuts and Jobs Act in the amount of \$10.64. Blue Granite also proposes to implement annual rate adjustment procedures for Purchased Water Charges and Purchased Water waster treatment Charges, and for authority to continue to defer the Company's purchased water and wastewater treatment expenses (above or below the amounts reflected in rates) caused by changes in third party provider rates, until such expenses are reflected in rates. The Company also makes other requests in its Application, including seeking authority to defer costs related to the decommissioning of certain assets, to establish a storm reserve fund, to include in its tariff the treatment of taxes on contributions in aid of construction, to change its pumping charge for solids interceptor tarks to reflect actual costs, and to implement an opt-in "Round Up" program to assist customers in need.

Blue Granite seeks to recover additional annual revenues resulting from third-party purchased water and wastewater treatment, as well as revenues resulting primarily from investments in infrastructure needed to serve customers, for a total requested annual revenue increase of \$11,731,803. This results in an annual revenue increase for Service Territory 1 Water of \$3,636,850, for Service Territory 2 Water of \$1,939,107, and for Consolidated Sewer of \$6,155,846. Blue Granite also proposes to separately bill for and receive annual revenues to recover third-party purchased water and wastewater treatment costs.

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A copy of the Company's Application can be found on the Commission's website at www.psc.s.c.gov under Docket No. 2019-290-WS. Additionally, a copy of the Application is available from the offices of Frank R. Ellerbe, III, Esquire and Samuel J. Wellborn, Esquire, Robinson Gray Stepp & Laffitte, LLC, Post Office Box 11449, Columbia, South Carolina 29211.

Stepp & Laffitte, LLC, Post Office Box 11449, Columbia, South Carolina 29211.

Any person who wishes to participate in this matter as a party of record should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before December 16, 2019, by filing the Petition to Intervene with the Commission, by providing a copy to the Office of Regulatory Staff and by providing a copy to all parties of record. For the receipt of future Commission correspondence, please include an email address in the Petition to Intervene. Please refer to Docket No. 2019-290-WS and mail a copy to all other parties in this docket. Any person who seeks to intervene and who wishes to testify and present evidence at the hearing should notify, in writing, the Commission; the Office of Regulatory Staff at 1401 Main Street, Sulte 900, Columbia, South Carolina 29201; and the company at the above address, on or before December 16, 2019. Please refer to Docket No. 2019-290-WS.

Yelease see full Application on the Commission's website @nsc.sc.0v0

**(Please see full Application on the Commission's website @psc.sc.gov)*

Any person who wishes to request that the Commission hold a public hearing in his or her county of residence in order to hear comments from the utility's customers should notify, in writing, the Commission at the address below; the Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, SC 29201; and the Company at the above address, on or before December 15, 2019

PLEASE TAKE NOTICE that a hearing, pursuant to S.C. Code Ann. Regs. 103-817 and S.C. Code Ann. § 58-5-240, on the above matter has been scheduled to begin on Wednesday, February 26, 2020, at 10:00 a.m., before the Commission in the Commission's Hearing Room at 101 Executive Center Drive, Suite 100, Saluda Building, Columbia, South Carolina 29210 for the purpose of receiving testimony and evidence from all interested parties. The hearing may continue on February 27, 2020, February 28, 2020, March 2, 2020 and March 3, 2020, if necessary.

INSTRUCTIONS TO ALL PARTIES OF RECORD (Applicant, Petitioners, and Intervenors

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For the most recent information regarding this docket, including changes in scheduled dates in cluded in this Notice, please refer to www.psc.sc.gov and Docket No. 2019-290-WS.

PLEASE TAKE NOTICE that any person who wishes to have his or her comments considered as part of the official record of this proceeding MUST present such comments in person to the Commission during the hearing.

Persons seeking information about the Commission's procedures should contact the Commis sion at (803) 896-5100 or visit its website at www.psc.sc.gov.

4444097

STATE OF SOUTH CAROLINA

COUNTY OF YORK

CERTIFICATION OF PUBLICATION OF LEGAL NOTICE

> THE HERALD FORT MILL TIMES

I, Michelle Long, makes oath that the advertisment, was duly published in the aforesaid newspaper published in York County, State and County aforesaid, in the issue(s) of

Rock Hill, York Co., S.C. for

1 Insertion(s)

Published On: November 11, 2019

> Michelle Long Inside Classified Accounts Representative

Sworn to and subscribed before me this 13th day of November, 2019

Amy L. Robbins Notary Public My Commission Expires:

November 27, 2022

EXTRA CHARGE FOR LOST OR DUPLICATE **AFFIDAVITS**

LEGAL DOCUMENT PLEASE DO NOT **DESTROY!**

AFFIDAVIT OF PUBLICATION

County of Greenwood, State of South Carolina

INDEX-JOURNAL P.O. Box 1018, Greenwood, South Carolina 29648 864-943-2509

I, **Tammy R. Farmer**, of lawful age, being duly sworn upon oath deposes and says that I am an authorized representative of the Index-Journal, a daily newspaper published in Greenwood County in the State of South Carolina. The attachment hereto contains a true and correct copy of what was published in the regular edition of said newspaper, and not in a supplement, in consecutive issues on the following dates:

Publication Dates: 11(6)2019

Tammy R. Farmer Advertising Representative

Sworn to (or affirmed) and subscribed before me

on this 6th day of November, 20 1

NOTARY & NOTARY & NOTARY & SOUTH CANTER SOUT

Cheryl P. Gurney, Notary Public

My Commission Expires: April 6, 2028

Robinson Gray Litigation + Business PO Box 11449 Columbia, SC 29211

Ad ID: 167468

Description: Notice of Hearing

Publication Fee: \$320.96

PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
CLERK'S OFFICE
REVISED NOTICE OF FILING
AND HEARING AND PREFILE
TESTIMONY DEADLINES
(Notice for Newspaper)
DOCKET NO. 2019-290-WS
Application of Blue Granite Water
Company for Approval of an
Adjustment in Rate Schedules
and an Increase in Rates

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103-712(4)(A) and 103-512(4)(A). In its Application, the Company states that recent major capital projects needed to improve service to customers, increases in costs for third-party purchased water and wastewater treatment, increases in property taxes related to capital investment, and updates to depreciation rates, have made it necessary to request a net increase in retail revenues. The Company has invested approximately \$23 million in its water and wastewater infrastructure since the last rate case, filed in November 2017. Blue Granite's request includes a one-time credit to customers resulting from the federal Tax Cuts and Jobs Act in the amount of \$10.64. Blue Granite also proposes to implement annual rate adjustment procedures for Purchased Water Charges and Purchased Wastewater Treatment Charges, and for authority to continue to defer the Company's purchased water and wastewater treatment expenses (above or below the amounts reflected in rates) caused by changes in third party provider rates, un-til such expenses are reflected in rates. The Company also makes other requests in its Application, including seeking authority to defer costs related to the decommissioning of cer-tain assets, to establish a storm reserve fund, to include in its tariff the treatment of taxes on contributions in aid of construction, to change its pumping charge for solids interceptor tanks to reflect actual costs, and to implement an opt-in "Round Up" program to assist customers in need.

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A copy of the Company's Application can be found on the Commission's website at www.mcs.sc.gov.under Docket No. 2019-290-WS.
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suant to S.C. Code Ann. Regs. 103-817 and S.C. Code Ann. § 58-5-240, on the above mater has been scheduled to begin on Wednesday, February 26, 2020, at 10:00 a.m., before the Commission in the Commission's Hearing Room at 101 Executive Center Drive, Suite 100, Saluda Building, Columbia, South Carolina 29210 for the purpose of receiving testimony and evidence from all interested parties. The hearing may continue on February 27, 2020, February 28, 2020, March 2, 2020 and March 3, 2020, if necessary.

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11(06)2019

AFFIDAVIT OF MAILING

STATE OF FLORIDA

COUNTY OF SEMINOLE

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared Renee Fulmer, who, after being duly sworn on oath, did depose on oath and say that she is the Billing Services Specialist of Utilities, Inc., the sole shareholder of Blue Granite Water Company ("Utility"), and on November 25, 2019, she did send by regular U.S. Mail, a copy of Customer Notice, attached hereto, to all customers in South Carolina.

FURTHER AFFIANT SAYETH NAUGHT.

Print Name: Renee Fulmer

Print Title: Billing Specialist

Sworn to and subscribed before me this 25 day of November 2019 by Renee Fulmer, who is personally known to me or has produced _____ identification.



Print Name: Ann

NOTARY PUBLIC

My Commission Expires: 7/12/21

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CLERK'S OFFICE

REVISED NOTICE OF FILING AND HEARING AND PREFILE TESTIMONY DEADLINES (Notice to Customers)

DOCKET NO. 2019-290-WS

Application of Blue Granite Water Company for Approval of an Adjustment in Rate Schedules and an Increase in Rates

On October 2, 2019, Blue Granite Water Company ("Blue Granite" or the "Company") filed with the Public Service Commission of South Carolina ("Commission") an application requesting authority to adjust its rate schedules and to increase its rates ("Application"). The Application was filed pursuant to S.C. Code Ann. §58-5-240 and S.C. Code Ann. Regs. 103-712(4)(A) and 103-512(4)(A).

In its Application, the Company states that recent major capital projects needed to improve service to customers, increases in costs for third-party purchased water and wastewater treatment, increases in property taxes related to capital investment, and updates to depreciation rates, have made it necessary to request a net increase in retail revenues. The Company has invested approximately \$23 million in its water and wastewater infrastructure since the last rate case, filed in November 2017. Blue Granite's request includes a one-time credit to customers resulting from the federal Tax Cuts and Jobs Act in the amount of \$10.64. Blue Granite also proposes to implement annual rate adjustment procedures for Purchased Water Charges and Purchased Wastewater Treatment Charges, and for authority to continue to defer the Company's purchased water and wastewater treatment expenses (above or below the amounts reflected in rates) caused by changes in third party provider rates, until such expenses are reflected in rates. The Company also makes other requests in its Application, including seeking authority to defer costs related to the decommissioning of certain assets, to establish a storm reserve fund, to include in its tariff the treatment of taxes on contributions in aid of construction, to change its pumping charge for solids interceptor tanks to reflect actual costs, and to implement an opt-in "Round Up" program to assist customers in need.

Blue Granite seeks to recover additional annual revenues resulting from third-party purchased water and wastewater treatment, as well as revenues resulting primarily from investments in infrastructure needed to serve customers, for a total requested annual revenue increase of \$11,731,803. This results in an annual revenue increase for Service Territory 1 Water of \$3,636,850, for Service Territory 2 Water of \$1,939,107, and for Consolidated Sewer of \$6,155,846. Blue Granite also proposes to separately bill for and receive annual revenues to recover third-party purchased water and wastewater treatment costs. Applicable water service customers are designated as "Distribution Only", and applicable sewer service customers are designated as "Collection Only" in the proposed tariff rates below:

SCHEDULE OF PROPOSED RATES AND CHARGES

WATER

Service Territory 1

Monthly Charges - Water Supply Customers Only

Where water is supplied by wells owned and operated by the Utility, the following rates apply:

	Current	Proposed
Base Facilities Charge Commodity Charge	\$ 14.38 per unit \$ 5.59 per 1,000 gal. or 134 cft.	\$ 22.09 per unit \$ 8.59 per 1,000 gal. or 134 cft.
Commercial		
Base Facilities Charge		
by meter size		
5/8" meter *	\$ 14.38 per unit	\$ 22.09 per unit
3/4" meter	\$ 14.38 per unit	\$ 22.09 per unit
1" meter	\$ 37.43 per unit	\$ 55.24 per unit
1.5" meter	\$ 74.86 per unit	\$ 110.47 per unit
2" meter	\$ 119.78 per unit	\$ 176.76 per unit
3" meter	\$ 224.59 per unit	\$ 331.42 per unit
4" meter	\$ 374.42 per unit	\$ 552.37 per unit
8" meter	\$1,150.51 per unit	\$1,767.59 per unit
Commercial Commodity Charge	\$ 5.59 per 1,000 gal or 134 cft.	\$ 8.59 per 1,000 gal. or 134 cft.

<u>Monthly Charges – Water Distribution Customers Only</u>

Where water is purchased from a governmental body or agency or other entity for distribution and resale by the Utility, the following rates apply:

	<u>Current</u>	<u>Proposed</u>	
Base Facilities Charge per single-family house,			
condominium, mobile home,			
or apartment unit	\$14.38 per unit	\$22.09 per unit	
Residential Distribution Charge	\$ 7.55 per 1,000 gal. or 134 cft.	\$ 4.75 per 1,000 gal. or 134 cft.	
Purchased Water Charge	\$ N/A per 1,000 gal. or 134 cft.	\$ 6.85 per 1,000 gal. or 134 cft.	
Commercial			
Base Facilities Charge			
by meter size			
5/8" meter *	\$ 14.38 per unit	\$ 22.09 per unit	
3/4" meter	\$ 14.38 per unit	\$ 22.09 per unit	
1" meter	\$ 37.43 per unit	\$ 55.24 per unit	
1.5" meter	\$ 74.86 per unit	\$ 110.47 per unit	
2" meter	\$ 119.78 per unit	\$ 176.76 per unit	

3" meter	\$ 224.59 per unit	\$ 331.42 per unit
4" meter	\$ 374.42 per unit	\$ 552.37 per unit
8" meter	\$1,150.51 per unit	\$1,767.59 per unit
Commercial Distribution Charge	\$ 7.55 per 1,000 gal. or 134 cft.	\$ 4.75 per 1,000 gal. or 134 cft.
Purchased Water Charge	\$ N/A per 1,000 gal. or 134 cft.	\$ 6.85 per 1,000 gal. or 134 cft.

Purchased Water Expense Rate Adjustment Mechanism

"Water Distribution Customers Only" for Water Service Territory 1 are subject to annual rate adjustments ordered by the South Carolina Public Service Commission to recover in rates changes in expenses, without markup, that result from third party wholesale purchased water provider rate changes.

The commodity rate adjustment is calculated using customer and consumption data from the annual reconciliation period. The commodity rate adjustment is calculated by first finding the average consumption of all water distribution customers for Water Service Territory 1 in the annual reconciliation period. The average consumption is determined by taking the total water consumption for the annual reconciliation period and dividing it by the total number of water billing units for the annual reconciliation period. Next, the adjustment in purchased water expense caused by known and measurable changes in rates from third party wholesale providers is calculated. Then, the expense per billing unit is calculated by dividing the total change in purchased water expense by the annualized number of water billing units. Finally, the commodity rate adjustment required to recover or rebate the change in purchased water expenses is determined by dividing the expense per billing unit by the average consumption per 1,000 gallons. The commodity rate adjustment designed to recover the deferral balance amortization expense is adjusted each year and reset to zero when a new base rate case is effective.

Storm Reserve Fund Surcharge

Each water customer will be assessed a monthly Storm Reserve Fund surcharge of \$0.53 until the Storm Reserve Fund has reached a balance of \$200,000. Thereafter, assessment of the Storm Reserve Fund surcharge will be suspended until such time as actual costs are incurred by the Company to restore service to customers after storms, at which point the surcharge will be reinstituted until the Storm Reserve Fund has reached a balance of \$200,000.

Service Territory 2

Monthly Charges - Water Supply Customers

Where water is supplied by wells owned and operated by the Utility, the following rates apply:

	Current	<u>Proposed</u>
Base Facilities Charge Commodity Charge	\$ 28.59 per unit \$ 10.27 per 1,000 gal. or 134 cft.	\$ 38.58 per unit \$ 13.86 per 1,000 gal. or 134 cft.
Commercial Base Facilities Charge		
by meter size		
5/8" meter*	\$ 28.59 per unit	\$ 38.58 per unit
1" meter	\$ 79.59 per unit	\$ 96.45 per unit
1.5" meter	\$ 146.27 per unit	\$192.89 per unit

3" meter	\$ 499.14 per unit	\$578.67 per unit
Commercial Distribution Charge	\$ 10.27 per 1,000 gal. or 134 cft.	\$13.86 per 1,000 gal. or 134 cft.

Monthly Charges – Water Distribution Customers Only

Where water is purchased from a governmental body or agency or other entity for distribution and resale by the Utility, the following rates apply:

	Current	Proposed
Base Facilities Charge	\$28.59 per unit	\$38.58 per unit
Distribution Charge	\$11.85 per 1,000 gal. or 134 cft.	\$ 4.91 per 1,000 gal. or 134 cft.
Purchased Water Charge	\$ N/A per 1,000 gal. or 134 cft.	\$ 11.08 per 1,000 gal. or 134 cft.
Commercial		
Base Facilities Charge by meter size:		
5/8" meter*	\$ 28.59 per unit	\$ 38.58 per unit
1" meter	\$ 79.59 per unit	\$ 96.45 per unit
1.5" meter	\$ 146.27 per unit	\$192.89 per unit
3" meter	\$ 499.14 per unit	\$578.67 per unit
Commercial Distribution Charge	\$ 11.85 per 1,000 gal. or 134 cft.	\$ 4.91 per 1,000 gal. or 134 cft.
Purchased Water Charge	\$ N/A per 1,000 gal. or 134 cft.	\$ 11.08 per 1,000 gal. or 134 cft.

Purchased Water Expense Rate Adjustment Mechanism

"Water Distribution Customers Only" for Water Service Territory 2 are subject to annual rate adjustments ordered by the South Carolina Public Service Commission to recover in rates changes in expenses, without markup, that result from third party wholesale purchased water provider rate changes.

The commodity rate adjustment is calculated using customer and consumption data from the annual reconciliation period. The commodity rate adjustment is calculated by first finding the average consumption of all water distribution customers for Water Service Territory 2 in the annual reconciliation period. The average consumption is determined by taking the total water consumption for the annual reconciliation period and dividing it by the total number of water billing units for the annual reconciliation period. Next, the adjustment in purchased water expense caused by known and measurable changes in rates from third party wholesale providers is calculated. Then, the expense per billing unit is calculated by dividing the total change in purchased water expense by the annualized number of water billing units. Finally, the commodity rate adjustment required to recover or rebate the change in purchased water expenses is determined by dividing the expense per billing unit by the average consumption per 1,000 gallons. The commodity rate adjustment designed to recover the deferral balance amortization expense is adjusted each year and reset to zero when a new base rate case is effective.

Storm Reserve Fund Surcharge

Each water customer will be assessed a monthly Storm Reserve Fund surcharge of \$0.53 until the Storm Reserve Fund has reached a balance of \$200,000. Thereafter, assessment of the Storm Reserve Fund surcharge will be suspended until such time as actual costs are incurred by the Company to restore service

to customers after storms, at which point the surcharge will be reinstituted until the Storm Reserve Fund has reached a balance of \$200,000.

2. <u>Non-Recurring Charges</u>

- A. Water Service Connection (New connections only) \$300 per SFE*
- B. Plant Impact Fee (New connections only) \$400 per SFE*

The fees in this Section are subject to the tax considerations noted in Section G below.

The Plant Capacity Fee reflects the portion of plant capacity which will be used to provide service to the new customers as authorized by Commission Rule R. 103-702.13. The plant capacity fee represents the Utility's investment previously made (or planned to be made) in constructing water production, treatment and/or distribution facilities that are essential to provide adequate water service to the new customer's property.

C. Water Meter Installation - 5/8 inches x 3/4 inches meter

\$45.00

All 5/8 inch x 3/4 inch water meters shall meet the Utility's standards and shall be installed by the Utility. A one-time meter fee of \$45 shall be due upon installation for those locations where no 5/8 inch x 3/4 inch meter has been provided by a developer to the Utility.

For the installation of all other meters, the customer shall be billed for the Utility's actual cost of installation. All such meters shall meet the Utility's standards and be installed by the Utility unless the Utility directs otherwise.

The fees in this Section are subject to the tax considerations noted in Section G below.

G. Taxes: All contributions and advances, whether in the form of property or cash, shall be increased by a cash payment to the utility. Cash contributions and advances shall include an amount equal to 33.24% of the face value of the contribution or advance. Property contributions and advances shall include an amount equal to 18.28% of the original cost of the contribution or advance.

SEWER

Monthly Charges - Sewer Collection & Treatment Only

Where sewage collection and treatment are provided through facilities owned and operated by the Utility, the following rates apply:

	Current	<u>Proposed</u>
Residential	\$65.08 per unit	\$101.30 per unit
Mobile Homes	\$47.50 per unit	\$73.94 per unit

Commercial, per Single Family Equivalent \$65.08 per SFE \$101.30 per SFE

Commercial customers are those not included in the residential category above and include, but are not limited to, hotels, stores, restaurants, offices, industry, etc.

Monthly Charges – Sewer Collection Only

When sewage is collected by the Utility and transferred to a government body or agency, or other entity for treatment, the Utility's rates are as follows:

	Current	<u>Proposed</u>
Residential – per single-family house, condominium, or apartment unit Sewer Treatment Charge	\$65.08 per unit \$ N/A per unit	\$47.10 per unit \$54.20 per unit
Commercial Sewer Treatment Charge	\$65.08 per SFE* \$ N/A per SFE*	\$47.10 per SFE* \$54.20 per SFE*
The Village Sewer Collection	\$33.86 per SFE*	\$52.71 per SFE*

Purchased Wastewater Expense Rate Adjustment Mechanism

"Sewer Collection Only" customers are subject to annual rate adjustments ordered by the South Carolina Public Service Commission to recover in rates changes in expenses, without markup, that result from third party wholesale purchased wastewater treatment provider rate changes.

The monthly flat rate is calculated using customer data from the most recent annual reconciliation period. The flat rate adjustment is calculated by taking the adjustment in purchased wastewater treatment expenses caused by known and measurable changes in rates from third party wholesale providers and dividing by the total number of wastewater billing units at the end of the annual reconciliation period. The flat rate adjustment designed to recover the deferral balance amortization expense is adjusted each year and reset to zero when a new base rate case is effective.

Storm Reserve Fund Surcharge

Each sewer customer will be assessed a monthly Storm Reserve Fund surcharge of \$0.53 until the Storm Reserve Fund has reached a balance of \$200,000. Thereafter, assessment of the Storm Reserve Fund surcharge will be suspended until such time as actual costs are incurred by the Company to restore service to customers after storms, at which point the surcharge will be reinstituted until the Storm Reserve Fund has reached a balance of \$200,000.

2. Solids Interceptor Tanks

For all customers receiving sewage collection service through an approved solids interceptor tank, the following additional charges shall apply:

A. Pumping Charge

On such regular intervals as the Utility deems prudent, or upon discovery that excessive solids have accumulated in the interceptor tank, the Utility will arrange for the customer's tank to be pumped out and cleaned. The Utility shall bill the customer for the actual cost to the Utility of pumping and cleaning the tank, including the Utility's cost to access the tank ("Pumping Charge"). The Pumping Charge will be included as a separate line item

on the next regular billing to the customer. Alternatively, at the customer's request, the Pumping Charge may be billed to the customer in twelve equal monthly installments.

3. Non-recurring Charges

A. Sewer Service Connection (New connections only) \$300 per SFE*

B. Plant Capacity Fee (New connections only) \$400 per SFE*

The fees in this Section are subject to the tax considerations noted in Section G below.

G. Taxes: All contributions and advances, whether in the form of property or cash, shall be increased by a cash payment to the utility. Cash contributions and advances shall include an amount equal to 33.24% of the face value of the contribution or advance. Property contributions and advances shall include an amount equal to 18.28% of the original cost of the contribution or advance.

If the Application or Petition in this case contains a request for adjustment of rates, the rates are subject to potential modification by the Commission during the course of this case.

A copy of the Company's Application can be found on the Commission's website at www.psc.sc.gov under Docket No. 2019-290-WS. Additionally, a copy of the Application is available from the offices of Frank R. Ellerbe, III, Esquire and Samuel J. Wellborn, Esquire, Robinson Gray Stepp & Laffitte, LLC, Post Office Box 11449, Columbia, South Carolina 29211.

Any person who wishes to participate in this matter as a party of record should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before **December 16, 2019**, by filing the Petition to Intervene with the Commission, by providing a copy to the Office of Regulatory Staff and by providing a copy to all parties of record. For the receipt of future Commission correspondence, please include an email address in the Petition to Intervene. *Please refer to Docket No. 2019-290-WS and mail a copy to all other parties in this docket.* Any person who seeks to intervene and who wishes to testify and present evidence at the hearing should notify, in writing, the Commission; the Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and the company at the above address, on or before **December 16, 2019**. *Please refer to Docket No. 2019-290-WS*.

Any person who wishes to request that the Commission hold a public hearing in his or her county of residence in order to hear comments from the utility's customers should notify, in writing, the Commission at the address below; the Office of Regulatory Staff, at 1401 Main Street, Suite 900, Columbia, SC 29201; and the Company at the above address, on or before **December 16, 2019.**

PLEASE TAKE NOTICE that a hearing, pursuant to S.C. Code Ann. Regs. 103-817 and S.C. Code Ann. § 58-5-240, on the above matter has been scheduled to begin on **Wednesday**, **February 26**, **2020**, **at 10:00 a.m.**, before the Commission in the Commission's Hearing Room at 101 Executive Center Drive, Suite 100, Saluda Building, Columbia, South Carolina 29210 for the purpose of receiving testimony and evidence from all interested parties. The hearing may continue on February 27, 2020, February 28, 2020, March 2, 2020 and March 3, 2020, if necessary.

INSTRUCTIONS TO ALL PARTIES OF RECORD (Applicant, Petitioners, and Intervenors only): All Parties of Record must pre-file testimony with the Commission and with all parties of record. Pre-filed Testimony Deadlines: the Company's **Direct Testimony** Due: 1/30/2019; Other Parties of Record **Direct Testimony** Due: 1/22/2020; the Company's **Rebuttal Testimony** Due: 2/5/2020; and Other Parties of Record **Surrebuttal Testimony** Due: 2/12/2020. All Pre-filed Testimony Deadlines are subject to the information as posted on www.psc.sc.gov under **Docket No. 2019-290-WS**.

For the most recent information regarding this docket, including changes in scheduled dates included in this Notice, please refer to www.psc.sc.gov and *Docket No. 2019-290-WS*.

PLEASE TAKE NOTICE that any person who wishes to have his or her comments considered as part of the official record of this proceeding <u>MUST</u> present such comments in person to the Commission during the hearing.

Persons seeking information about the Commission's procedures should contact the Commission at (803) 896-5100 or visit its website at www.psc.sc.gov.

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2019-290-WS

IN RE:)	
)	CERTIFICATION OF MAILING
Application of Blue Granite Water)	TO COUNTY AND CITY
Company for Approval to Adjust Its)	ADMINISTRATORS
Rate Schedules and Increase Rates)	
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This is to certify I, Toni Hawkins, a paralegal with the law firm of Robinson Gray Stepp & Laffitte, LLC, caused to be mailed on the 6th day of November, 2019, via First Class Mail, the **Revised Notice of Filing and Hearing and Prefile Testimony Deadlines** (Notice to Customers, filed October 24, 2019) to the County and City Administrators in each of the counties and cities where Blue Granite Water Company provides services.

Dated at Columbia, South Carolina this 3rd day of December, 2019.

Jour C. Wawkins